



Advising the Congress on Medicare issues

Principles for measuring physician resource use

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Medicare has begun to measure physician resource use

- The Commission has made two recommendations about physician resource use
 - measure and share results with physicians in a confidential manner
 - after two years, make results public and be able to use them to adjust physician payments
- MIPPA enacted confidential feedback
- CMS has begun to implement MIPPA

Goals for Medicare's physician resource use measurement program

- It should encourage efficiency (defined both by resource use and quality) and discourage inefficiency
 - directly through payment adjustments
 - indirectly through reflection and discussion about the way practice patterns drive resource use

How should Medicare's physician resource use measurement program be designed?

- Should it measure efficiency in multiple ways, e.g. per episode and per capita?
- Should it provide feedback to most physicians or focus only on outliers?
- Should it measure and provide feedback to individual physicians, groups, or both?
- MIPPA requires the Secretary to conduct education and outreach activities as part of the program. How should Medicare maximize its limited resources to do so?

Proposed principles for Medicare's physician resource use measurement program

- Transparency
- Actionable
- Risk adjustment
- Multiple measures
- Opportunity for physician input
- Measurement will improve over time

Questions about releasing Medicare data for data aggregation

- Small “n” problem
 - data aggregation could increase the number of claims and patients
 - it could also add more measurable physicians for comparison
- Problem of physicians receiving contradictory efficiency scores from different entities
 - data aggregation could only result in consistent physician scores with some mechanism for standardizing measurement
 - Should data, standardization specifications, and/or measurement results be aggregated and centralized?

Questions for discussion

- Would the Commission like to discuss a statement of principles for Medicare's physician resource use measurement and feedback program?
- Would the Commission like to discuss the question of whether Medicare should release claims data, in addition to analysis results, for data aggregation?